

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7950**

**BILL NUMBER:** HB 2007

**DATE PREPARED:** Jan 19, 1999

**BILL AMENDED:**

**SUBJECT:** Operation of motor vehicle license branches.

**FISCAL ANALYST:** James Sperlik

**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires the Bureau of Motor Vehicles Commission to: (1) contract with responsible and responsive contractors by competitive bids for license branch operations; (2) removes the employees of the license branches from the Public Employees Retirement Fund. (3) inform the license branches of changes in service charges to be collected by the license branches. (4) It provides that a person who fails to collect service charges or to deposit them in the state license branch fund commits a Class D felony. (Current law provides this violation is a Class C infraction.)

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** (1)The specific fiscal impact will depend upon the structure of the contracts for full-service branch operations and partial service branches. The BMVC has about 168 license branches throughout the state, most of which are full-service branches. The fund affected is the State License Branch Fund that supports the operation of the license branches throughout the state.

(2) When the Bureau of Motor Vehicles Commission (BMVC) was created, a separate retirement fund also was established for the BMVC employees. This part of the proposal should have no fiscal impact since there are not any BMVC employees who are members of PERF.

(3) Informing the license branches of the changes in service charges will have no fiscal impact.

(4) This part provides that a person who fails to collect service charges or to deposit them in the State License Branch Fund commits a Class D felony.

*Penalty Provision:* A Class D felony is punishable by a prison term ranging from 6 months to 3 years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$20,500 in FY 97. Individual facility expenditures range from \$11,000 to \$27,000. (This does not include the cost of new construction.) If offenders can be housed in

existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually or \$5 daily per prisoner. The average length of stay in DOC facilities for all Class D felony offenders is approximately seven months.

**Explanation of State Revenues:** *Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund and the State General Fund could increase. The maximum fine for a Class D felony is \$10,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, county or municipal court (courts of record), 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the State General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the State General Fund.

**Explanation of Local Expenditures:** *Penalty Provision:* If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. The average cost per day is approximately \$44.

**Explanation of Local Revenues:** *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed, and if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed, and if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:** Department of Correction; Bureau of Motor Vehicles; Bureau of Motor Vehicles Commission.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Indiana Sheriffs Association, Department of Correction.